

House Study Bill 83

SENATE/HOUSE FILE _____
BY (PROPOSED IOWA FINANCE
AUTHORITY BILL)

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act allowing the Iowa finance authority to issue qualified
2 residential rental project bonds under the private activity
3 bond allocation Act.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
5 TLSB 1228DP 81
6 tm/pj/5

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1 1 Section 1. Section 7C.3, Code 2005, is amended by adding
1 2 the following new subsection:
1 3 NEW SUBSECTION. 8A. "Qualified residential rental project
1 4 bond" means a qualified residential rental project bond as
1 5 defined in section 142(d) of the Internal Revenue Code.
1 6 Sec. 2. Section 7C.4A, subsection 1, Code 2005, is amended
1 7 to read as follows:
1 8 1. Thirty percent of the state ceiling shall be allocated
1 9 solely to the Iowa finance authority for any of the following
1 10 purposes:
1 11 a. Issuing qualified mortgage bonds.
1 12 b. Reallocating the amount, or any portion thereof, to
1 13 another qualified political subdivision for the purpose of
1 14 issuing qualified mortgage bonds ~~or~~.
1 15 c. Exchanging the allocation, or any portion thereof, for
1 16 the authority to issue mortgage credit certificates by
1 17 election under section 25(c) of the Internal Revenue Code.
1 18 d. Issuing qualified residential rental project bonds.
1 19 However, at any time during the calendar year the executive
1 20 director of the Iowa finance authority may determine that a
1 21 lesser amount need be allocated to the Iowa finance authority
1 22 and on that date this lesser amount shall be the amount
1 23 allocated to the authority and the excess shall be allocated
1 24 under subsection 7.

EXPLANATION

1 25
1 26 This bill relates to the issuance of qualified residential
1 27 rental project bonds. Under the private activity bond
1 28 allocation Act, 30 percent of the volume cap allocated to
1 29 certain private activity bonds under the Internal Revenue
1 30 Code, known as the state ceiling, is allocated to the Iowa
1 31 finance authority for three specified purposes. The bill adds
1 32 the issuance of qualified residential rental project bonds as
1 33 a fourth specified purpose.
1 34 LSB 1228DP 81
1 35 tm/pj/5